

Sales and Use Tax Exemption for Purchases by Qualifying Governmental Agencies

General Purpose: Qualifying governmental agencies must issue this certificate to retailers when purchasing tangible personal property or enumerated services. For purposes of this certificate, qualifying governmental agencies include:

- the United States and its agencies;
- the State of Connecticut or its political subdivisions or their agencies;
- certain other entities exempt under Connecticut law;
- any entity that Connecticut is prohibited from taxing under the constitution or laws of the United States; and
- persons acting as agents for any of these entities.

Statutory Authority: Conn. Gen. Stat. §12-412(1)(A) and §12-412(2)

Instructions for the Purchaser: An authorized person acting on behalf of a qualifying governmental agency must issue and sign this certificate to advise the seller of tangible personal property or taxable services that sales and use taxes do not apply to the purchase. The purchases must be made by the qualifying governmental agency using the agency's own funds.

Purchases made by individual employees who will be reimbursed by a qualifying governmental agency **do not** qualify for exemption under any circumstances, even if the purchases are made in the employee's official capacity.

If a purchaser other than an agency of the U.S. or the State of Connecticut, not named on the reverse of this certificate, is expressly exempted from state sales and use taxes by a federal or Connecticut statute, the purchaser must identify the exempting statute on the reverse of this certificate. If a purchaser is not expressly exempted by a federal statute, but believes that it is exempt by reason of federal law, it must get a letter from DRS acknowledging the exempt status, and attach a copy of the letter to this certificate.

Purchases of Meals and Lodging: In general, qualifying governmental agencies may **not** use this certificate to purchase meals and lodging, but must get preapproval from DRS for these purchases, using **CERT-112, Certificate for Exempt Qualifying Purchase of Meals and Lodging by an Exempt Organization or Qualifying Governmental Agency**, or **CERT-123, Blanket Certificate for Exempt Qualifying Purchases of Meals or Lodging by an Exempt Organization or Qualifying Governmental Agency**.

However, a qualifying governmental agency may purchase meals tax exempt using this certificate, without prior approval from DRS, when it will resell the meals at one of five fund-raising or social events per year that is exempt under Conn. Gen. Stat. §12-412(94). See **Special Notice 98(11), Exemption From Sales and Use Taxes of Sales by Nonprofit Organizations at Fund-raising or Social Events**.

Federal Government Purchases Not Requiring This Certificate:

The federal government recently implemented the "GSA SmartPay" program, which uses four categories of cards: Fleet, Purchase, Travel, and Integrated Cards. Federal employees may purchase tangible personal property and services, including meals and lodging, tax exempt when using GSA SmartPay cards, if the purchases are billed to and paid by the federal government. U.S. government agencies making tax-exempt purchases using GSA SmartPay cards are not required to use any DRS certificates or to get preapproval for purchases. Note: Some GSA SmartPay purchases do **not** qualify for exemption. See

Policy Statement 2000(1.1), Retailer's Acceptance of U.S. Government "GSA SmartPay" Credit Card for Exempt Purchases.

Instructions for Agents Making Purchases for Qualifying Governmental Agencies: A person acting as the agent of a qualifying governmental agency making purchases of tangible personal property or enumerated services must issue this certificate to notify the seller that sales and use taxes do not apply to the charges for the purchases.

The agent must:

- complete and sign this certificate **as the purchaser**;
- attach a copy of the document from the qualifying governmental agency that expressly designates the person as the agent for purchasing the types of goods or services being purchased; and
- claim an exemption only on purchases of goods or services that are used exclusively by the qualifying governmental agency.

Keep a copy of this certificate, the documents attached, and records that substantiate the information entered on this certificate for at least six years from the date this certificate is issued.

Instructions for the Seller: Acceptance of this certificate, when properly completed and accompanied by any other required documents, relieves the seller from the burden of proving that the sale and the storage, use or consumption of the tangible personal property or taxable services are not subject to sales and use taxes. This certificate is valid only if taken in good faith from a person who is authorized to furnish it to the seller on behalf of a qualifying governmental agency. The good faith of the seller will be questioned if the seller has knowledge of facts that give rise to a reasonable inference that the purchaser is not a qualifying governmental agency or an agent of a qualifying governmental agency or that the items purchased will not be used exclusively by or on behalf of the qualifying governmental agency.

Keep this certificate, the documents attached, and bills or invoices to the purchaser for at least six years from the date that the items or services were purchased. The bills, invoices or records covering the purchase made under this certificate must be marked "Exempt Under **CERT-134**" to indicate an exempt purchase has occurred.

This certificate may be used for a single exempt purchase, in which case the box marked "Certificate for One Purchase Only" must be checked. This certificate may also be used for a continuing line of exempt purchases, in which case the box marked "Blanket Certificate" must be checked. It remains in effect for one year, unless the purchaser revokes it in writing before the one year period expires.

A qualifying governmental agency must pay for its exempt purchases with a check drawn on its own account or with a credit card issued in its own name (and not in the name of any of its members or officers). An exempt purchase of \$10 or less may be made using cash, as long as the purchase is made with the qualifying governmental agency's own funds, except that a blanket certificate may not be used for cash purchases.

For Further Information: Call Taxpayer Services at **1-800-382-9463** (toll-free within Connecticut) or **860-297-5962** (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries 24 hours a day by calling **860-297-4911**. Preview and download forms and publications from the DRS Web site: **www.drs.state.ct.us**

Purchaser is:

- ☐ United States _____ ☐ State of Connecticut _____
Name of Agency Name of Agency (list exemption number, if any)
- ☐ Federal Credit Union _____ ☐ Connecticut Municipality _____
Name of Credit Union Town or District and Agency
- ☐ Other Entity Exempted by Connecticut Law _____
Name of Entity Exempting Connecticut Statute
- ☐ Other Entity Exempted by Federal Law _____
Name of Entity Exempting Federal Statute
- or check box if acknowledgment letter from DRS is attached. ☐**
- ☐ Connecticut Development Authority
- ☐ Agent of a Qualifying Governmental Agency Listed Above (attach documentation of appointment as agent)

Name of Agent: _____

Agent's CT Tax Registration Number: _____ Agent's Federal Employer ID Number: _____

Name of Qualifying Governmental Agency: _____

Appointed Agent for making the following types of purchases: _____

Address of Purchaser: _____

Name of Seller	Address	CT Tax Registration Number
		Federal Employer ID Number

Check one box: ☐ Blanket Certificate ☐ Certificate for One Purchase Only

Check the appropriate box(es) and provide a written description of each item purchased:

☐ Tangible Personal Property ☐ Taxable Services

Description: _____

DECLARATION BY PURCHASER

The item(s) described above are tangible personal property or services being purchased under the exemption provided in Conn. Gen. Stat. §12-412(1)(A), §12-412(2), or other applicable statute. The purchase of these items is exempt from sales and use taxes.

I declare under the penalty of false statement that I have examined the information in this certificate and to the best of my knowledge and belief it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

Name of Purchaser

By: _____
Signature of Authorized Person Title Date

If the purchaser is an entity exempted under Connecticut law other than Conn. Gen. Stat. §12-412(1)(A), I have entered the citation of the exempting law above. If the purchaser is an entity exempted under federal law, I have entered the citation of the exempting law above, or, if there is no specific statutory authority, I have attached a copy of the letter from DRS acknowledging the exempt status.

If the purchaser is an agent of a qualifying governmental agency, I have attached a copy of the document from the qualifying governmental agency expressly designating the purchaser as agent.